ORIGINAL

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

Inter-Carrier Compensation for ISP-Bound Traffic	))))	CC Docket No. 99-68

REPLY COMMENTS OF U S WEST COMMUNICATIONS, INC.

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SUMMARY

In the *Reciprocal Compensation Declaratory Ruling*, the Commission correctly held that, when the subscriber of an Internet service provider ("ISP") dials the ISP and connects to the Internet, (1) the subscriber's call terminates at the destination Internet server, not the ISP, and (2) the ISP obtains *interstate access* from the one or more local exchange carriers ("LECs") that carry the call from the subscriber to the ISP. U S WEST and other commenters propose that the Commission treat the situation where two LECs carry an ISP dial-up call exactly as it has treated every other jointly provided interstate access service for the past fifteen years — namely, the Commission should clarify that the two LECs are *co*-providers of interstate access entitled to *share* in the access revenues received from the ISP (under current law, the price of business exchange service). The commenters also note that ISP dial-up access is precisely analogous to Feature Group A, suggesting that the same compensation rules should apply.

By contrast, the CLECs and other commenters hoping to continue the unlawful payment of "reciprocal compensation" for Internet-bound traffic argue as if the Commission never issued these holdings. The CLECs argue that Internet-bound traffic must be treated exactly like "other" terminating local exchange traffic. But that argument ignores the Commission's express rulings that a dial-up ISP connection is an access service, not an exchange service, and that such a call does not terminate at the dialed ISP. Moreover, the CLECs' insistence that they are entitled to some compensation for their cost of providing ISP dial-up lines does not explain why such compensation must come from other LECs and their ratepayers, rather than the parties who are in fact the customers of the CLECs' access service: the ISPs. In short, the CLECs provide no reason why the Commission should ignore fifteen years of precedent governing jointly provided interstate access services.

In addition, most commenters agree with the Commission's proposal to permit LECs to voluntarily negotiate their compensation arrangements; they also agree that commercial negotiations will not work without supportive federal rules and procedures. The CLECs who suggest that the Commission should abdicate jurisdiction over these negotiations to the states never explain how the Commission may legally override Congress's express limits on states' arbitration authority. Finally, commenters agree that unfettered application of the Act's "most favored nation" provision would make meaningful compensation negotiations impossible; hence they agree that the Commission should clarify that the provision does *not* apply to revenue sharing for interstate access services.

TABLE OF CONTENTS

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U S WEST Communications, Inc. ("U S WEST") submits these reply comments in the above-captioned docket.

In the *Reciprocal Compensation Declaratory Ruling*,[1/] the Commission correctly held that, when the subscriber of an Internet service provider ("ISP") dials the ISP and connects to the Internet, (1) the subscriber's call terminates at the destination Internet server, not the ISP, and (2) the ISP obtains *interstate access* from the one or more local exchange carriers ("LECs") that carry the call from the subscriber to the ISP. *See Reciprocal Compensation Declaratory Ruling* ¶¶ 12, 16. In the companion *NPRM*,[2/] the Commission asked what compensation rule should apply — in light of these holdings — where the subscriber and the ISP are customers of different LECs, such that the subscriber's call transits two LECs' networks on its way to the ISP.

In its comments, U S WEST proposed a simple solution: If LECs provide interstate access when they carry Internet-bound calls from a subscriber to its ISP, then the

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1/ Declaratory Ruling, *Implementation of the Local Competition Provisions in the Telecommunications Act of 1996*, CC Dkt. No. 96-98 (rel. Feb. 26, 1999) ("*Reciprocal Compensation Declaratory Ruling*").

2/ Notice of Proposed Rulemaking, *Inter-Carrier Compensation for ISP-Bound Traffic*, CC Dkt. No. 99-68 (rel. Feb. 26, 1999) ("*NPRM*").

Commission should treat the case where *two* LECs provide this carriage exactly as it would any other jointly provided interstate access service. For the past fifteen years, the Commission has consistently held that, when two LECs connect an end user to an access customer, the LECs are *co*-providers of access service to the access customer, and both LECs are entitled to share in the amounts paid by the access customer under a bilateral or industrywide sharing arrangement. The Commission never has permitted one LEC to claim the access customer as its own and demand payment from the other for "terminating" the call to the customer. U S WEST's comments accordingly proposed that the Commission follow its longstanding precedent and declare that, where an Internet-bound call transits two LECs' networks on its way to an ISP, the LECs are *co*-providers of interstate access service to the ISP, and both LECs may share in what the ISP pays for that service — under current law, the price of business exchange service. LECs would negotiate bilateral or industrywide revenue sharing agreements against the framework provided by this rule, and their agreements would be subject to exclusive federal review. Other commenters propose the same solution.[3/]

[3/] *See, e.g.*, BellSouth at 7-9; National Tel. Coop. Ass'n at 12-13; SBC at 22-23; Virgin Islands Tel. Co. at 13-15; *cf.* Ameritech at 13 ("[T]o the extent that previous meet-point billing or revenue sharing arrangements serve as precedent at all, they dictate that the LEC serving the ISP should share its revenues with the originating LEC, not vice versa."). Several other commenters agree that the Commission should follow its interstate access revenue sharing precedents but suggest that, under the current "ESP exemption," there is no "access revenue" for the LECs to share; hence, these commenters propose a bill-and-keep rule where each LEC pays nothing to the other. *See, e.g.*, Bell Atlantic at 6; Cincinnati Bell Tel. at 4-5. As U S WEST demonstrated, however, ISPs *do* pay a charge for their interstate access — the price of a local business line. *See* U S WEST at 5-7. *See also* Ameritech at 13 ("In exempting ISPs from the access charge regime, the Commission effectively permits ISPs to purchase access services from intrastate tariffs. The revenues derived from those sales . . . are the surrogate 'access' revenues in this case.").

By contrast, the CLECs and other commenters hoping to continue the unlawful flow of "reciprocal compensation" payments for Internet-bound traffic make no effort at all to apply the Commission's holdings. Indeed, they argue as if the Commission never adopted the *Reciprocal Compensation Declaratory Ruling* at all. Thus, they continue to demand payment from other LECs for "terminating" their "local" calls to ISPs,[4/] even though the Commission expressly held that Internet-bound traffic does not terminate at the ISP, and that such traffic is not local. *Reciprocal Compensation Declaratory Ruling* ¶¶ 12, 18, 26 n.87. Likewise, the CLECs insist that their recovery of the costs of carrying dial-up traffic to ISPs must come from other LECs,[5/] even though the Commission ruled that ISPs are actually customers of interstate access service, *id.* at ¶ 16, which makes the other LECs co-providers of the service entitled to "*share* access revenues received from the interstate service provider." *Id.* ¶ 9 (emphasis added). Finally, these commenters urge the Commission to require wholesale application of the 1996 Act's reciprocal compensation rules (and the state decisions applying them) to Internet-bound traffic[6/] — a proposal that flatly ignores the Commission's ruling that "the reciprocal compensation requirements of section 251(b)(5) of the Act and Section 51, Subpart H . . . of the Commission's rules *do not govern* compensation for this traffic." *Id.* ¶ 26 n.87 (emphasis added).

4/ *See, e.g.*, ACSI at 5; Focal Comm. at 15-16; GST at 15; KMC Telecom at 6; MCI WorldCom at 4-5; RCN Telecom Svcs. at 3.

5/ *See, e.g.*, America Online at 7-8; AT&T at 1; GST at 9; MCI WorldCom at 8-9.

6/ *See, e.g.*, ALTS at 12-13; America Online at 7-8; CTSI at 9-11; IGC at 10-11; RCN Telecom Svcs. at 1, 6-7; Time Warner Telecom at 5.

The Commission should reject this attempt to nullify the *Declaratory Ruling* rather than apply it. The CLECs provide no justification for the Commission to disregard fifteen years of precedent governing jointly provided interstate access services, especially when the access service in question is virtually identical to one — Feature Group A — that the Commission has already considered. Their argument that Internet-bound traffic must be treated exactly like "other" terminating local exchange traffic simply ignores the Commission's explicit ruling that a dial-up ISP connection is an access service, not an exchange service. And their insistence that they are entitled to some compensation for their cost of providing ISP dial-up lines does not explain why such compensation must come from other LECs and their ratepayers, rather than the parties who are in fact the customers of their access service: the ISPs.

ARGUMENT

I. THE COMMENTERS SEEKING TO PERPETUATE SUBSIDIES FOR INTERNET-BOUND TRAFFIC MAKE NO EFFORT TO COMPLY WITH THE *RECIPROCAL COMPENSATION DECLARATORY RULING* AND COMMISSION PRECEDENT.

The CLECs and others who want to continue ratepayer subsidies for ISPs do not disguise their displeasure with the Commission's ruling. Time Warner Telecom, for example, begins its comments by castigating the Commission for "incorrectly conclud[ing] in its Declaratory Ruling . . . that Section 251(b)(5), by its terms, does not apply to the exchange of ISP-bound traffic" and berating the Commission's "egregious oversight" of the CLEC's earlier arguments.[7/] Likewise, ALTS flatly declares that it does not "acquiesc[e]" in the Commission's

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7/ Time Warner Telecom at 1.

holdings.[8/] These commenters make no effort to help the Commission apply the holdings and resolve the questions posed in the *Reciprocal Compensation Declaratory Ruling*; instead, they seek only to reverse the order. Their basic arguments for the continued payment of reciprocal compensation for ISP-bound traffic cannot be reconciled with the Commission's prior holdings.[9/]

A. The Carriage of Traffic to an ISP Is Interstate Access and Is *Not* Like Terminating Local Exchange Service.

With remarkable consistency, the IXCs and CLECs frame the issue in this proceeding as if the Commission had never adopted its *Declaratory Ruling*. MCI WorldCom, for example, defines the Commission's task as "to determine the appropriate compensation for legitimate costs incurred by local carriers in *terminating* traffic to ISPs."[10/] GST does the same, arguing that state commission rules and rates for terminating local traffic under section 251(b)(5) should apply wholesale to ISP dial-up access because "the functionality being compensated — *transport and termination of calls* — is the same regardless of the jurisdiction."[11/] AT&T

8/ ALTS at 4. *See also, e.g.*, Florida Public Service Comm'n at 1-5; Focal Communications at 4 & n. 7; MCI WorldCom at 4-5; RCN Telecom Svcs. at 1 n.2.

9/ The Commission of course cannot reconsider or modify the *Reciprocal Compensation Declaratory Ruling* on the basis of these comments. A party may not evade the procedural requirements for filing a petition for reconsideration (nor have the Commission ignore its duty to give notice of and allow comment on such petitions) simply by attacking an order in comments filed in some later proceeding. The Commission has considers such comments to be *de facto* petitions for reconsideration and tests them against the procedural requirements of 47 C.F.R. §§ 1.106 and 1.429. *See, e.g.*, Mem. Op. and Order, *Filing and Review of Open Network Architecture Plans*, 4 FCC Rcd 2449, ¶ 40 n. 128 (1988); Mem. Op. and Order, *Amateur Radio Licensing Procedures*, 87 F.C.C.2d 501, 501 n.1 (1981).

10/ MCI WorldCom at 5 (emphasis added).

11/ GST at 15 (emphasis added).

describes the problem as "settling ISP-bound traffic" between LECs and urges the Commission to adopt the same rules governing "other traffic exchanged between LECs," namely, the section 251(b)(5) reciprocal compensation regime.[12/] And both ALTS and Time Warner Telecom insist that the carriage of ISP-bound traffic and the exchange of local traffic under section 251(b)(5) are "like" services that legally may not be regulated or compensated differently.[13/]

The mistake of all of these arguments is that they equate ISP dial-up access with the very things that, according to the Commission, ISP dial-up access is *not*. Contrary to what MCI and GST suggest, two-LEC carriage of Internet-bound calls is not local transport and termination; as the Commission held, these calls "do not terminate at the ISP's local server, . . . but continue to the ultimate destination or destinations, specifically at an Internet website." *Reciprocal Compensation Declaratory Ruling* ¶ 12. Similarly, the joint carriage of calls from subscribers to their ISPs does not involve the "settling" of local traffic "exchanged" between LECs, as AT&T suggests, because these calls do not begin on one LEC's network and end on the other's. Rather, they transit both LECs' networks on their way to an interstate service provider as part of an interstate access service. *Id.* ¶ 16. Finally, ALTS and Time Warner Telecom are wrong to lump ISP-bound traffic with the local exchange traffic subject to section 251(b)(5); the Commission held in unmistakable terms that "the reciprocal compensation requirements of

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12/ AT&T at 10. *See also* KMC Telecom at 6 ("[C]alls to ISPs should be subject to the same compensatory regime *as all other local exchange traffic*. Thus, KMC also urges the Commission to conclude that there should be a single inter-carrier compensation rate that would cover *all local exchange traffic, including traffic bound for ISPs*.") (emphases added).

13/ *See* ALTS at 12-13; Time Warner Telecom at 5.

section 251(b)(5) of the Act . . . do not govern compensation for this traffic" because it is non-local, jurisdictionally interstate access service. *Id.* ¶ 26 n.87.

ALTS and Time Warner Telecom are certainly correct that the Commission should treat like services alike. But a jointly provided interstate access service such as ISP dial-up is fundamentally *unlike* the transport and termination of local exchange traffic, as far as intercarrier compensation is concerned. The two types of services have long had entirely different compensation structures, as the Commission recognized in the *Declaratory Ruling*:

> When two carriers jointly provide interstate access (*e.g.*, by delivering a call to an interexchange carrier (IXC)), the carriers will share access revenues received from the interstate service provider. Conversely, when two carriers collaborate to complete a local call, the originating carrier is compensated by its end user and the terminating carrier is entitled to reciprocal compensation under the Act.

Id. ¶ 9. The relevant "like" service, in this case, is another interstate access service: Feature Group A. Both ISP dial-up and Feature Group A are line-side connections that enable end users to dial a local seven- or ten-digit number to reach an interstate service provider, which then switches the transmission to its ultimate destination using additional information provided by the end user. ISPs and Feature Group A customers also purchase the same kind of local line. Several commenters note the close correspondence between the two services.[14/] As U S WEST noted in its opening comments, LECs negotiate bilateral revenue sharing agreements for jointly provided Feature Group A. There is no reason why LECs could not (or should not be expected

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14/ *See, e.g.*, Ameritech at 20-21; BellSouth at 7; SBC at 25-26.

to) negotiate the same kinds of agreements for ISP dial-up. Certainly the CLECs have provided no basis for treating this one interstate access service any differently from its counterparts.

B. A LEC Providing Interstate Access Service to an ISP May Recover Its Costs Only from the ISP, Not Its Co-Providing LECs.

Virtually all of the commenters who seek to continue the flow of unlawful reciprocal compensation payments rely on a false syllogism: A LEC incurs costs when it carries traffic to an ISP that originated on another LEC's network; therefore, the LEC serving the ISP must be permitted to charge those costs to the other LEC. AT&T begins its comments by declaring that, because LECs incur costs in delivering traffic to ISPs, "[t]here appears to be little serious dispute that . . . *some* form of compensation from the carrier originating ISP-bound traffic to the carrier delivering it is therefore appropriate."[15/] Likewise, MCI WorldCom asserts that the salient lesson of the Commission's interstate access and reciprocal compensation precedents is that "the terminating carrier is owed *some* form of compensation for the costs it incurs"; therefore, the "only question is *what* payment mechanism to adopt" for originating LECs.[16/]

These commenters jump right over the pivotal step. Simply because a LEC incurs some costs in delivering traffic to a customer that is an ISP, it does not follow that those costs should be recovered from another LEC (and that LEC's ratepayers) rather than the first LEC's customer. The commenters ignore the Commission's holding that ISPs are customers of interstate access services provided by the LEC or LECs who carry the ISP subscribers' dial-up

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15/ AT&T at 1 (emphasis in original).

16/ MCI WorldCom at 8, 9 (emphases in original).

calls. *See Reciprocal Compensation Declaratory Ruling* ¶ 16. Under Commission precedent, when an interstate access transmission transits two LECs' networks on its way from a local caller to the access customer, the LECs are deemed to be *co*-providers of the access customer's interstate service, and they *share* the access revenues received from that customer. *See id.* ¶ 9 ("When two carriers jointly provide interstate access . . . the carriers will share access revenues received from the interstate service provider.").[17] This principle is entirely unremarkable: One would normally expect a carrier (or any other business, for that matter) to recover the costs of providing service to a customer through its service prices to that customer — not to charge them to some different vendor who also happens to be providing the customer with service.[18]

Notably, the CLECs that insist on the right to recover their service costs from co-providing LECs instead of their service customers do not believe that the co-providing LECs should be permitted to do the same. Nobody disputes that the LECs who serve ISP *subscribers* also incur significant costs to carry the subscribers' Internet-bound calls over their networks. But if those LECs' local exchange rates do not adequately compensate them for these costs, the

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[17] *See also* Mem. Op. and Order, *Investigation of Access and Divestiture Related Tariffs*, 97 F.C.C.2d 1082, 1176-77 (1984) (rejecting single-carrier billing for jointly provided access services).

[18] For this reason, AT&T simply has it backwards when it accuses ILECs of seeking a "'free ride' on the networks of their competitors" by trying "to carve ISP-bound calling out of the inter-carrier compensation system for local traffic." AT&T at 15. When two LECs carry an Internet-bound call from a subscriber to an ISP, they are jointly providing the ISP with an access service side-by-side; they are not providing any service *to* each other for which compensation is due. Moreover, AT&T's suggestion that ISP-bound calls presumptively come within "the inter-carrier compensation system for local traffic" flatly disregards the Commission's ruling that such calls are not local and hence beyond the scope of the Telecommunications Act's intercarrier compensation provisions. *Reciprocal Compensation Declaratory Ruling* ¶ 26 n.87.

CLECs say, the LECs should eat cake: ALTS, for example, tells these LECs to solve the problem by getting states to "eliminat[e] inefficiencies in local rates,"[19] as does AT&T.[20] Yet the CLECs never explain why *they* should be entitled to recover their conceptually identical service costs from the *co*-providers of access rather than their own ISP customers; after all, as CLECs, they have far more freedom than the ILECs do to adjust the prices they charge their customers as necessary. It is utterly inconsistent for the CLECs to tell the ILECs to "eliminat[e] the inefficiencies" in their customer prices, all the while insisting on an entitlement to charge *their* ISP customers prices for interstate access that are massively subsidized by ILEC ratepayers.[21] As several state commissions correctly argue, the Commission should be skeptical of any such attempt to bend Commission precedent to have basic local service customers subsidize these interstate services.[22]

19/ ALTS at 11.

20/ *See* AT&T at 12 ("If a LEC believes that its retail rates are improperly structured to reflect its costs of originating calls, the LEC should seek permission to modify those rates. The solution does not lie in arbitrarily under-compensating other carriers for costs associated with delivering one category of traffic.").

21/ To the extent that the ESP exemption or state regulation prevents CLECs from raising their prices to cover all their costs of serving ISPs, as some claim, that simply means that the CLECs are in the same boat as their ILEC co-providers. *Cf.* Cincinnati Bell Tel. at 4 (noting that "each carrier must bear the weight of the access charge exemption" equally). Both groups' concerns in this regard, while legitimate, are beyond the scope of this proceeding.

22/ *See* Indiana Util. Regulatory Comm'n at 5-6; Vermont Pub. Svc. Bd. at 13; Florida Pub. Svc. Comm'n at 10.

II. COMMENTERS AGREE THAT MARKET-FRIENDLY FEDERAL RULES AND PROCEDURES ARE A PREREQUISITE TO MEANINGFUL COMMERCIAL NEGOTIATIONS OVER COMPENSATION.

The majority of commenters agree that revenue sharing and compensation arrangements for jointly provided ISP dial-up traffic should be negotiated among LECs rather than dictated by regulatory fiat.[23/] At the same time, virtually all of these commenters — including some state public utility commissions — agree that clear federal rules and procedures are a necessary prerequisite for these negotiations, both to clarify carrier entitlements and to guide the resolution of disputes.[24/] Of course, the commenters disagree on the *content* of those rules, with CLECs urging the Commission to mandate the wholesale extension of transport and termination rules to ISP-bound traffic, and ILECs asking the Commission to clarify that the payment of reciprocal compensation for this traffic would be unlawful. But all parties agree that the Commission must clearly define the ground rules one way or the other; otherwise, the present stalemate will continue, and carriers and regulators will continue to spend a tremendous amount of time and effort rehashing these disputes.

Immediately after arguing that the Commission has the power and duty to adopt rules governing ISP dial-up, however, many CLECs turn right around and urge the Commission to declare that the *states* should arbitrate LEC revenue sharing agreements for this interstate access service under section 252. But in their rush to get this matter into what they view as a

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23/ *See, e.g.*, ALTS at 1; Bell Atlantic at 2-4; BellSouth at 7-9; People of California at 4; RCN Telecom. Svcs. at 3-4.

24/ *See, e.g.*, ALTS at 1, 5-9; GST at 11, 13-14; IGC at 7-8; Indiana Util. Reg. Comm'n at 5; Public Util. Comm'n of Texas at 6-7.

more sympathetic forum, the CLECs do not explain how the Commission could override Congress's careful limitations on the section 252 arbitration process.[25] As U S WEST and other commenters demonstrated in their opening comments, Congress gave state commissions only a *limited* authority to arbitrate interconnection matters: Section 252 makes clear that state commissions may impose binding resolution *only* of those mandatory LEC and ILEC duties contained in sections 251(b) and (c).[26] The Commission has now made absolutely clear that the reciprocal compensation provisions in section 251(b)(5) do not govern the joint provision of interstate access service to ISPs,[27] and there is no other provision of section 251(b) or (c) that could conceivably apply to revenue sharing for such service.[28] Congress itself did not give state commissions the authority to conduct binding arbitrations of revenue sharing agreements for interstate access services, and the CLECs do not explain how, legally, the Commission could create such authority in Congress's place. As several commenters note (including ILECs, IXCs, and even some state commissions), the idea that the Commission may *sua sponte* delegate its

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[25] The CLECs' only argument is that state arbitration would be more efficient than federal arbitration. *See, e.g.*, ALTS at 5-9; AT&T at 7-8; CTSI at 10; Focal Comm. at 7-8. Whether or not this prediction is right, mere efficiency concerns do not permit the Commission to override Congress's specific limitations on states' arbitration powers.

[26] *See, e.g.*, U S WEST at 12-15; Bell Atlantic at 5; Frontier at 4-5; GTE at 12-14; IGC at 7-8; Virgin Islands Tel. Co. at 7-11.

[27] *See Reciprocal Compensation Declaratory Ruling* ¶ 26 n.87.

[28] As the Commission noted in the first interconnection order, the rules governing interstate access services pre-date the Telecommunications Act by almost two decades and have nothing at all to do with sections 251 or 252. *See* First Report and Order, *Implementation of the Local Competition Provisions in the Telecommunications Act of 1996*, 11 FCC Rcd 15499, 16112-13 (1996).

regulatory authority over concededly interstate service wholesale to state regulators — even in the face of a statute that expressly defines and limits the scope of state authority — is entirely without precedent.[29/]

Finally, the majority of commenters agree with U S WEST that unconstrained application of section 252(i), the "most favored nation" provision, to interstate access revenue sharing would make meaningful compensation negotiations impossible, since it would permit parties to trump both negotiated agreements and any Commission decision at their pleasure. Many commenters agree that section 252(i) — which on its face is limited to interconnection, service, and network element terms "provided under an agreement approved under" section 252 — cannot be stretched to cover revenue sharing agreements for ISP-bound traffic, since the Commission has now made clear that ISPs use interstate access services covered by sections 201 and 202 of the Act rather sections 251 and 252.[30/] Others agree that, even if section 252(i) did apply, it would be appropriate to allow carriers to renegotiate their interconnection agreements once the Commission rules in this docket, since, whichever way the Commission does rule, it

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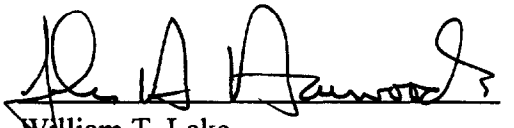
29/ *See, e.g.*, Frontier at 6-9 (delegation of authority over interstate service to states violates congressional intent and raises constitutional concerns); GTE at 14-15 (noting that delegation would violate 47 U.S.C. § 201(a)); Indiana Util. Reg. Comm'n at 5 ("The IURC knows of no other interstate service for which a state commission is assigned responsibility for recovering the costs associated with such service through intrastate rate making."); Sprint at 7 ("Although Congress may confer, under appropriate circumstances, jurisdiction on state regulatory commissions, and can expand the jurisdiction of the federal district courts to hear appeals from state commission decisions, there is nothing in the Communications Act that vests this Commission with the authority to grant jurisdiction over interstate communications to the states or to expand the jurisdiction of the federal courts."); Vermont Pub. Svc. Bd. at 6 (same as IURC).

30/ *See, e.g.*, Ameritech at 22-25; Bell Atlantic at 8.

will represent a significant clarification of carriers' rights and obligations.[31] Finally, U S WEST notes that the CLECs have abandoned their most extreme interpretations of section 252(i), now conceding that the section does not permit later-coming requesters to extend a contract provision beyond the term of the original contract containing that provision.[32]

Respectfully submitted,



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31/ *Cf.* AT&T at 21 ("The Commission can simply clarify in its order that its [new set of rules] provides a basis for ILECs to break the chain of pick-and-choose elections regarding such traffic after existing agreements expire.").

32/ *See, e.g.*, ALTS at 20-22; GST at 23; MCI WorldCom at 22.

CERTIFICATE OF SERVICE

I hereby certify that on the 27th day of April 1999 I caused true copies of the foregoing Reply Comments of U S WEST Communications, Inc. to be served by first class mail, postage pre-paid upon the following:

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